

ASSEMBLY BILL

No. 378

**Introduced by Assembly Members Cristina Garcia, Holden, and
Eduardo Garcia
(Coauthors: Assembly Members Bloom, Bonta, Eggman, Friedman,
Gomez, Jones-Sawyer, Kalra, McCarty, Reyes, Mark Stone,
Thurmond, and Ting)**

February 9, 2017

An act to amend Section 38562.5 of, and to add Section 38567 to, the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL’S DIGEST

AB 378, as introduced, Cristina Garcia. California Global Warming Solutions Act of 2006: regulations.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. The act requires the state board to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by 2030.

The act requires the state board, when adopting rules and regulations to achieve greenhouse gas emissions reductions beyond the statewide greenhouse gas emissions limit and to protect the state’s most impacted and disadvantaged communities, to follow specified requirements, consider the social costs of the emissions of greenhouse gases, and prioritize specified emission reduction rules and regulations.

This bill would additionally require the state board to consider and account for the social costs of the emissions and greenhouse gases when adopting those rules and regulations. The bill would authorize the state board to adopt or subsequently revise new regulations that establish a market-based compliance mechanism, applicable from January 1, 2021, to December 31, 2030, to complement direct emissions reduction measures in ensuring that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by 2030.

This bill would require the state board, in ensuring that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by 2030, to adopt the most effective and equitable mix of emissions reduction measures and ensure that emissions reduction measures collectively and individually support achieving air quality and other environmental and public health goals.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) It is a primary objective of the state to reduce greenhouse
- 4 gas emissions, which is critical for the protection of all areas of
- 5 the state but especially for the state's most disadvantaged
- 6 communities, which will be disproportionately impacted by climate
- 7 change and emissions from sources of greenhouse gases, including
- 8 short-lived climate pollutants, as well as criteria pollutants and
- 9 toxic air contaminants.
- 10 (b) While low-income communities and communities of color
- 11 in the state suffer from some of the worst air quality in the nation,
- 12 the state has been and must continue to be a leader in making
- 13 investments in historically disadvantaged communities.
- 14 (c) Achieving the state's climate and air quality goals in an
- 15 equitable and effective manner will require a mix of direct
- 16 regulations and incentives that hold major emitters accountable
- 17 for the social costs of their emissions, protect the state's economy,
- 18 and direct investments to communities across the state.
- 19 SEC. 2. Section 38562.5 of the Health and Safety Code is
- 20 amended to read:

1 38562.5. (a) When adopting rules and regulations pursuant
2 to this division to achieve emissions reductions beyond the
3 statewide greenhouse gas emissions limit and to protect the state's
4 most impacted and disadvantaged communities, the state board
5 shall follow the requirements in subdivision (b) of Section 38562,
6 consider *and account for* the social costs of the emissions of
7 greenhouse gases, and prioritize both of the following:

8 (a)

9 (1) Emission reduction rules and regulations that result in direct
10 emission reductions at large stationary sources of greenhouse gas
11 emissions ~~sources~~ and direct emission reductions from mobile
12 sources.

13 (b)

14 (2) Emission reduction rules and regulations that result in direct
15 emission reductions from sources other than those specified in
16 ~~subdivision (a); paragraph (1).~~

17 (b) *The state board may adopt or subsequently revise new*
18 *regulations that establish a market-based compliance mechanism*
19 *developed pursuant to Part 5 (commencing with Section 38570),*
20 *applicable from January 1, 2021, to December 31, 2030, to*
21 *complement direct emissions reduction measures in ensuring the*
22 *reductions in greenhouse gas emissions required pursuant to*
23 *Section 38566.*

24 SEC. 3. Section 38567 is added to the Health and Safety Code,
25 to read:

26 38567. In furtherance of ensuring the reductions in greenhouse
27 gas emissions required pursuant to Section 38566 and consistent
28 with this division, the state board shall do all of the following:

29 (a) Adopt the most effective and equitable mix of emissions
30 reduction measures to achieve the 2030 goal.

31 (b) Ensure that emissions reduction measures collectively and
32 individually support achieving air quality and other environmental
33 and public health goals.